

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 16, 2008
POSITION: Neutral
SPONSOR: Judicial Council

BILL NUMBER: AB 3052
AUTHOR: D. Jones

BILL SUMMARY

This bill would authorize the Judicial Council to develop benchmark criteria and performance evaluations for alternative methods of project delivery for any court facility replacement project. These methods would include lease-leaseback, lease-purchase, or multiyear agreements, including, but not limited to, public-private partnerships.

FISCAL SUMMARY

Potential unknown, additional costs related to the evaluation of alternative methods. The Judicial Council states that these costs are minor and absorbable. However, to the extent that the AOC decides to pursue alternative project delivery methods for a significant number of court replacement projects, this bill could result in additional workload and associated costs for the Department of Finance (Finance) staff to review these proposals.

COMMENTS

Existing law requires the Judicial Council to develop performance expectations and benchmark criteria for public-private partnerships, or Performance Based Infrastructure (PBI), court facility proposals. The Director of Finance must review and approve any court facility proposal that includes a public-private partnership, or PBI, component.

This bill would allow the Judicial Council to develop performance expectations and benchmark criteria for alternative methods of project delivery including, but not limited to lease-leaseback, lease-purchase, or other multi-year agreements, or public-private partnerships for all eligible court facilities.

In addition, after transfer of responsibility to the state of a court facility, this bill would authorize the Judicial Council to:

- Gather information for appropriate alternative methods of project delivery for the court facility replacement, including, but not limited to, a public-private partnership.
- Specify a process and criteria for developing these alternative methods of project delivery.
- Identify variables that will be used to evaluate the proposed alternative methods.
- Delegate any action as a result of these provisions from the Judicial Council to the Administrative Director of the Courts.

This bill also would modify Government Code Section 70391.5 (c) to require Finance to review any lease-leaseback, lease-purchase agreement or other appropriate multiyear agreement, together with other related agreements with one or more entities for the delivery of a court facility pursuant to subdivision (a) that will provide payments to the entity or entities for the state's proportional share of project costs, whether as part of a public-private partnership or otherwise.

Furthermore, this bill would authorize the Judicial Council to release bid solicitation documents if the Joint Legislative Budget Committee does not formally object to the benchmark criteria and performance evaluations within 30 days.

Analyst/Principal (0672) N. Brady	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(2)
AUTHOR AMENDMENT DATE**

Form DF-43
BILL NUMBER

June 16, 2008

AB 3052

		SO	(Fiscal Impact by Fiscal Year)							
Code/Department		LA	(Dollars in Thousands)							
Agency or Revenue		CO	PROP						Fund	
Type		RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	Code
0250/Jud Branch		CO	No		----- See Fiscal Summary -----					3037
8860/Finance		SO	No		----- See Fiscal Analysis -----					0001
<u>Fund Code</u>	<u>Title</u>									
0001	General Fund									
3037	State Court Facilities Construction Fund									